



P O R T L A N D  
CITY AUDITOR  
Mary Hull Caballero

April 20, 2020

To: Mayor Wheeler  
Commissioner Eudaly  
Commissioner Fritz  
Commissioner Hardesty

From: City Auditor Mary Hull Caballero

Re: FY 2019-20 Spring Budget Monitoring Report

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Enclosed please find our year-end projections for the general fund supported operations in the Auditor's Office. Updates on previous budget decision packages have also been provided to the City Budget Office.

#### **Spring BMP Submittal Summary**

- The Auditor's Office Spring Budget Monitoring Report shows that overall operational expenditures are within the spending plan for each major object area. The Auditor's Office projects to be underspent in Personnel Services and External Materials and within the budgeted resources for Internal Materials and Services. Details are available in the attached projection report.
- One technical adjustment within the Auditor's Office operating budget transfers \$26,200 from External Materials and Services to Internal Material and Services. The purpose is to account for higher trending expenses related to the interagency agreement between the Auditor's Office and the Bureau of Technology and Services.
- The administrative support responsibility for the City Hearings Office has been transferred back to City Council, effective July 1, 2020. While its new administrative location has not been finalized, the presumptive bureau or office will need to monitor an impending Over-Expenditure Ordinance encumbrance carryover of \$76,000 to fund the continuation of a case management system upgrade.



**AU - Office of the City Auditor**

**DP Type**

**Technical Adjustments**

**Request Name:** 9959 -Materials and Services

**Package Description**

These are technical adjustments within the Auditor's Office operating budget to move funds within Materials and Services.

**Service Impacts**

N/A

**Equity Impacts**

N/A

Account Name		2019-20 SPRING Requested Adj
Expense	External Materials and Services	-26,200
	Internal Materials and Services	26,200
Expense	Sum:	0

# Business Area Projection Report

## Office of the City Auditor - Fund 100

Major Object	2019-20 SPRING Requested Total	2019-20 March Actuals YTD	2019-20 SPRING Projection	% Projected Actuals to Requested Total
External Materials and Services	1,621,142	728,883	1,013,688	63%
Internal Materials and Services	2,815,148	2,145,992	2,804,058	100%
Personnel	7,370,296	5,353,731	7,155,951	97%
<b>Sum:</b>	<b>11,806,586</b>	<b>8,228,607</b>	<b>10,973,697</b>	<b>93%</b>

Major Object	2019-20 SPRING Requested Total	2019-20 March Actuals YTD	2019-20 SPRING Projection	% Projected Actuals to Requested Total
Charges for Services	100,665	5,093	50,333	50%
General Fund Discretionary	6,898,210	0	6,115,653	89%
General Fund Overhead	4,590,251	0	4,590,251	100%
Interagency Revenue	210,960	117,561	210,960	100%
Miscellaneous	6,500	2,360	6,500	100%
<b>Sum:</b>	<b>11,806,586</b>	<b>125,013</b>	<b>10,973,697</b>	<b>93%</b>

### Revenue Discussion

The Auditor's Office projects the majority of revenues to be within the spending plan for FY 2019-20. Charges for Services are projected to decrease by approximately fifty percent in FY20 but are expected to rebound in FY21.

### Revenue Risks

There are no current risks to revenues projected for FY 2019-20.

### Expenditure Discussion

The Auditor's Office projects that expenditures will be within budget for Internal Materials and Services. Personnel Services and External Materials and Services will be underspent at the end of FY 2019-20 due to a number of factors: intermittent vacant positions throughout the fiscal year, lower than anticipated spending for professional services, delayed facility improvement projects, and savings from implementing swift cost containment measures related to COVID-19.

### Expenditure Risks

Additional cost saving measures are likely on the horizon, but the extent is still an unknown at this stage. If funding levels are adjusted, the Auditor's Office would be amenable to proposing expenditure reductions that are consistent across the City, but only if they also apply to other elective offices. During the Over-Expenditure Ordinance or Fall Supplemental Budget Process, the Auditor's office intends to coordinate with the City Budget Office to transfer FY2019-20 underspending to the newly established Auditor's Office Reserve Fund. The total amount of the Auditor's Office Reserve Fund will not exceed \$500,000. Any excess underspending of the Auditor's Office will automatically revert to the General Fund.

### Other Notes

N/A

## Business Area Projection Report

### Office of the City Auditor - Fund 100

Major Object	2019-20 SPRING Revised Base	2019-20 SPRING Total ADJ	2019-20 SPRING Requested Total	Requested Adjustment as % of Total Requested Budget	2019-20 February Actuals YTD	2019-20 March Actuals YTD	2019-20 SPRING Projection	% Projected Actuals to Budget
External Materials and Services	1,647,342	-26,200	1,621,142	-2%	622,609	728,883	1,013,688	63%
Internal Materials and Services	2,788,948	26,200	2,815,148	1%	1,930,101	2,145,992	2,804,058	100%
Personnel	7,370,296	0	7,370,296	0%	4,746,437	5,353,731	7,155,951	97%
<b>Sum:</b>	<b>11,806,586</b>	<b>0</b>	<b>11,806,586</b>	<b>0%</b>	<b>7,299,147</b>	<b>8,228,607</b>	<b>10,973,697</b>	<b>93%</b>

Major Object	2019-20 SPRING Revised Base	2019-20 SPRING Total ADJ	2019-20 SPRING Requested Total	Requested Adjustment as % of Total Requested Budget	2019-20 February Actuals YTD	2019-20 March Actuals YTD	2019-20 SPRING Projection	% Projected Actuals to Budget
Charges for Services	100,665	0	100,665	0%	5,093	5,093	50,333	50%
General Fund Discretionary	6,898,210	0	6,898,210	0%	0	0	6,115,653	89%
General Fund Overhead	4,590,251	0	4,590,251	0%	0	0	4,590,251	100%
Interagency Revenue	210,960	0	210,960	0%	114,316	117,561	210,960	100%
Miscellaneous	6,500	0	6,500	0%	2,360	2,360	6,500	100%
<b>Sum:</b>	<b>11,806,586</b>	<b>0</b>	<b>11,806,586</b>	<b>0%</b>	<b>121,768</b>	<b>125,013</b>	<b>10,973,697</b>	<b>93%</b>

**Sum: 7,420,915.93**

	<b>23,613,172</b>	<b>0</b>	<b>23,613,172</b>	<b>0%</b>	<b>8,353,620</b>	<b>21,947,394</b>	<b>93%</b>
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**Sum: 7,420,915.93**

#### Revenue Discussion

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#### Revenue Risks

# Business Area Projection Report

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There are no current risks to revenues projected for FY 2019-20.

## **Expenditure Discussion**

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## **Expenditure Risks**

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## **Other Notes**

N/A